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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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U S WEST, INC. v. HATTEN COMMUNICATIONS HOLDING  
COMPANY, INC.

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Opposition No. 110,126 to Application Ser. No.  
75/235,601 filed on February 3, 1997.

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George G. Matava of LeBoeuf, Lamb, Greene & MacCrae LLP for  
U S WEST, INC.

Richard S. Order of Updike, Kelly & Spellachy PC for HATTON  
COMMUNICATIONS HOLDING COMPANY, INC.

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Before Hanak, Walters and Holtzman, Administrative  
Trademark Judges.

Opinion by Hanak, Administrative Trademark Judge:

Hatton Communications Holding Company, Inc. (applicant  
or Hatton) seeks to register in typed drawing form US EAST  
for "telecommunication services, namely, cellular, personal  
communication systems (PCS), commercial mobile radio  
services, domestic and international long distance

services, local telephone services and paging services, data and voice communication services" (Class 38) and "computer services, namely, providing multiple-user access to a global computer information network for the transfer and dissemination of a wide range of information" (Class 42). The intent-to-use application was filed on February 3, 1997.

In its amended notice of opposition, U S WEST, Inc. (opposer or U S WEST) has opposed the application on two grounds. First, opposer contends that long prior to February 3, 1997 it both used and registered its mark U S WEST for telecommunication services and providing multiple user access to a global computer network for the transfer and dissemination of a wide range of information. Continuing, opposer alleges that the contemporaneous use of its mark U S WEST and applicant's mark US EAST for identical services is likely to cause confusion, mistake or deception. See Section 2(d) of the Trademark Act. Second, opposer contends that applicant's mark US EAST, when used in connection with the services for which applicant seeks registration, is likely to dilute the distinctive quality of opposer's famous U S WEST mark. See Sections 13 and 43 (c) of the Trademark Act.

Applicant filed an answer to the amended notice of opposition in which it denied the pertinent allegations. Applicant's answer also contains "affirmative defenses" which are merely arguments as to why applicant believes there is no likelihood of confusion. Both parties filed briefs and were present at a hearing held on February 28, 2002.

The voluminous record in this case is summarized at pages 2 and 3 of opposer's brief. At page 2 of its brief, applicant does not dispute opposer's summary of the record, but merely notes a few additional items of evidence that were made of record.

Priority is not an issue in this proceeding because opposer has properly made of record certified status and title copies of numerous of its registrations for the mark U S WEST. King Candy Co. v. Eunice King's Kitchen Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). In this regard, two of these registrations are particularly pertinent because they depict opposer's mark U S WEST in typed drawing form and cover services which are identical to the services set forth in applicant's application. The first registration is Registration No. 1,407,022 and it covers, among other services, "providing telecommunications services for others." Of course, these services are

identical to applicant's Class 38 services. The second pertinent registration owned by opposer is Registration No. 2,244,559 for, among other services, "providing multiple user access to a global computer or communications network for the transfer and dissemination of a wide range of information." Despite slight differences in terminology, these services are identical to applicant's Class 42 services. In addition, opposer has amply demonstrated that it has made continuous use of its mark U S WEST in connection with telecommunication services since at least January 1, 1984, over thirteen (13) years prior to applicant's intent-to-use filing date of February 3, 1997. Moreover, opposer has used its mark U S WEST in connection with providing multiple user access to a global computer network for the transmission and dissemination of a wide range of information since 1989.

In any likelihood of confusion analysis, two key, although not exclusive, considerations are the similarities of the goods or services and the similarities of the marks. Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods [or services] and differences in the marks.").

As just explained, applicant's services are identical to certain of the services with which opposer used its mark U S WEST for many years prior to applicant's intent-to-use filing date of February 3, 1997. Indeed, applicant has conceded that when it was formed in 1996, it was aware of opposer U S WEST. Applicant has explained that it selected the mark US EAST because it was in the process of expanding from Connecticut into Rhode Island and Massachusetts and felt that its old mark CONNECTICUT TELEPHONE was therefore inappropriate. While applicant anticipated no expansion beyond the Northeast, it selected the mark US EAST in order to allow it to expand as far west as the Mississippi River.

In an effort to differentiate its services from opposer's services, applicant argues at page 6 of its brief that "a sale by applicant to a Boston customer will not deprive U S WEST of any revenue because it does not sell products or services east of the Mississippi." Applicant's argument misses the point. Applicant is seeking a nationwide registration for its mark US EAST. In Board proceedings, "the question of likelihood of confusion must be determined based on an analysis of the mark as applied to the goods and or services recited in applicant's application vis-à-vis the goods and or services recited in opposer's registration, rather than what the evidence shows

the goods and/or services to be.” Canadian Imperial Bank v. Wells Fargo Bank, 811 F.2d 1490, 1 USPQ 1813, 1815 (Fed. Cir. 1987). The fact that applicant may intend to confine the services it offers under the mark US EAST to the Northeast is irrelevant because applicant seeks a nationwide registration, and because as described in applicant’s application and registrant’s registrations, the services of the parties are identical.

Considering next the marks, we note at the outset that when the services are identical, as is the case here, “the degree of similarity [of the marks] necessary to support a conclusion of likely confusion declines.” Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). Obviously, the marks U S WEST and US EAST are extremely similar in that both begin with the letters U S depicted with no periods and end in directional indicators, each of which consist of four letters, with the final two letters (ST) being the same. In our view, a consumer familiar with U S WEST telephone services, upon encountering US EAST telephone services, would be likely to assume that the latter is a mere affiliate of the former in the Eastern part of the United States. While there is no doubt that East and West are different directions, nevertheless they are directional

indicators which, as just explained, are extremely similar in structure.

Moreover, the comparison is not merely between the words EAST and WEST, but rather between the marks in their entirety, namely, US EAST and U S WEST. In this regard, it is critical to remember that "the basic principle in determining confusion between marks is that marks must be compared in their entirety and must be considered in connection with the particular goods or services for which they are used." In re National Data Corp., 753 F.2d 1056, 224 USPQ 749, 750 (Fed. Cir. 1985). Considered in their entirety, the marks U S WEST and US EAST are decidedly similar, especially when used in connection with identical services.

While each case must be decided on its own merits, we take guidance from our primary reviewing Court which found the marks PLAY-DOH and FUNDOUGH to be confusingly similar when used on "practically identical products." Kenner Parker Toys Inc. v. Rose Art Industries Inc., 963 F.2d 350, 22 USPQ2d 1453, 1458 (Fed. Cir. 1992). In so doing, the Court made the following observations:

PLAY and FUN, in the overall context of these competing marks, convey a very similar impression. Both are single syllable words [like WEST and EAST] associated closely in meaning. ... In context, the prefixes PLAY and FUN seem at least as similar as

TREE and VALLEY or ISLAND and VALLEY - components of the confusingly similar marks SPICE TREE and

SPICE VALLEY ... and the confusingly similar marks SPICE ISLAND and SPICE VALLEY ... Kenner Parker Toys, 22 USPQ2d at 1457 (citations omitted).

Of course, because opposer's services and applicant's services are identical, numerous other duPont factors favor opposer's position. When the services are identical, then the purchasers are likewise identical as are the channels of trade. Moreover, the record reflects that telephone services are purchased by ordinary individuals who often exercise minimal care in selecting their telephone provider.

To the extent that we have any doubts that the contemporaneous use of the marks U S WEST and US EAST for identical services would result in confusion (and we do not), said doubts are totally eliminated when one recognizes that the record amply demonstrates that opposer's mark U S WEST is a famous mark. However, before discussing the fame of opposer's U S WEST mark, a couple of applicant's arguments need to be disposed of.

First, at page 5 of its brief applicant argues that opposer's mark U S WEST is descriptive or is geographically descriptive. As previously noted, opposer has properly made of record certified status and title copies of



numerous of its registrations for the mark U S WEST, including in particular Registration Nos. 1,407,022 and 2,244,559 which depict U S WEST in typed drawing form and cover services which are identical to the services set forth in applicant's application. While an applicant may argue that a portion of an opposer's registered mark is descriptive, it may not argue that the entire mark is descriptive or geographically descriptive. In re National Data Corp., 753 F.2d 1056, 224 USPQ 749, 752 (Fed. Cir. 1985).

Second, at page 8 of its brief applicant argues that the common element of its mark and opposer's mark (U S) "is particularly weak" in that it "is in common use by many other sellers in the market." In this regard, applicant simply lists nine (9) companies which purportedly are in the telecommunications industry and whose names begin with U S or U.S. However, not only has applicant failed to establish that these nine (9) companies are currently in existence, but more importantly, applicant has failed to establish the extent to which these companies used marks containing U S or U.S. It is clear that "in the absence of any evidence showing the extent of use of any of such marks or whether any of them are now in use," said marks provide no basis for saying that they had "any effect at all on the

public mind so as to have a bearing on likelihood of confusion." Smith Bros. Mfg. Co. v. Stone Mfg. Co., 476 F.2d 1004, 177 USPQ 462, 463 (CCPA 1973).

We turn now to a consideration of the evidence which opposer has submitted which proves that its mark U S WEST is famous for purposes of our analysis of opposer's likelihood of confusion claim. Later in this opinion we will consider whether opposer has established that its mark U S WEST is so famous that it is in that "select class of marks" which are entitled to protection pursuant to the Federal Trademark Dilution Act. Avery Dennison Corp. v. Sumpton, 189 F.3d 1868, 51 USPQ2d 1801, 1805 (9<sup>th</sup> Cir. 1999).

As previously noted, opposer first used its mark U S WEST on January 1, 1984. However, during the latter part of 1983, opposer began pre-solicitation activities featuring its mark U S WEST. Opposer was one of the seven regional operating telephone companies which were spun-off from AT&T effective January 1, 1984 (the "baby Bells"). Opposer officially filed its Articles of Incorporation with the Colorado Secretary of State in September 1983 under the corporate trade name U S WEST, Inc. In connection with its divestiture from AT&T, opposer U S WEST was delegated responsibility for providing local and intrastate long

distance telephone service within the fourteen (14) states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

From 1991 until 1997, opposer's annual operating revenues ranged from \$8 billion to approximately \$11.5 billion. In 1998, opposer's operating revenues exceeded \$12 billion. Opposer's advertising expenditures for its telephone and related services have been quite large. In 1990, opposer's annual advertising expenditures exceeded \$54 million. By 1997, opposer's annual advertising expenditures exceeded \$90 million. Obviously, the vast majority of opposer's revenue has been generated from its fourteen state region, and likewise, the vast majority of opposer's advertising expenditures have been within its fourteen state region.

Given its extremely high sales and advertising figures within its fourteen state region, it comes as no surprise that opposer U S WEST is extremely well known within this region. Over the years, opposer has conducted a series of brand awareness studies which reveal that within its fourteen state region, opposer U S WEST is recognized by 99% of consumers. By comparison, AT&T is recognized in the fourteen state region by 100% of consumers. Given

opposer's massive revenue and advertising expenditures, we find that opposer's mark U S WEST has become a very famous mark within its fourteen state region.

Applicant does not challenge the fact that opposer's mark U S WEST is very famous within its fourteen state region. Rather, at page 12 of its brief applicant argues that the U S WEST "mark is not famous on a nationwide basis." In this regard, applicant notes that opposer has conceded that only two to three percent of its annual advertising budget has been spent outside of its fourteen state region.

We concur with applicant that opposer's mark U S WEST has not been proven to be famous on a nationwide basis. However, our primary reviewing Court has made it clear that nationwide fame is not a prerequisite in a likelihood of confusion analysis pursuant to Section 2(d) of the Trademark Act. In this regard, the Court held that the mark GIANT was famous for supermarket services despite the fact that opposer's supermarkets were located only in Washington, D.C.; Virginia; and Maryland. Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390, 394 (Fed. Cir. 1983). ("We hold that opposer's marks have acquired considerable fame, which weighs in its favor in determining likelihood of confusion."). See also Carl

Karcher Enterprises Inc. v. Stars Restaurant Corp., 35

USPQ2d 1125, 1130 (TTAB 1995) where this Board held that opposer's mark was famous despite the fact that it was used in only four states.

Our primary reviewing Court has made it crystal clear that "the fifth duPont factor, fame of the prior mark, plays a dominant role in cases featuring a famous or strong mark. Famous or strong marks enjoy a wide latitude of legal protection." Kenner Parker Toys Inc. v. Rose Art Industries Inc., 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992). Continuing, the Court noted that there is "no excuse for even approaching the well-known trademark of a competitor ... and that all doubt as to whether confusion, mistake, or deception is likely is to be resolved against the newcomer, especially when the established mark is one which is famous." Kenner Parker Toys, 22 USPQ2d at 1456.

The teachings of Kenner Parker Toys were reiterated by our primary reviewing Court in Recot Inc. v. M.C. Becton, 214 F.3d 1322, 54 USPQ2d 1894, 1897-98 (Fed. Cir. 2000), which quoted with approval the Giant Food case. As just noted, in Giant Food, the Court held "that opposer's marks have acquired considerable fame, which weighs in its favor in determining likelihood of confusion" despite the fact

that opposer had used its mark in only the District of Columbia and two states. Giant Food, 218 USPQ at 394.

In sum, given the fact that opposer's services and applicant's services are identical; the fact that opposer's mark U S WEST and applicant's mark U.S. EAST are extremely similar; and the fact that opposer's mark U S WEST is, for the purposes of our likelihood of confusion analysis, a decidedly famous mark, we find that there would exist a likelihood of confusion should applicant commence to use its mark U.S. EAST. Accordingly, we sustain the opposition on opposer's likelihood of confusion claim. However, before leaving the issue of likelihood of confusion and turning to the issue of dilution, we wish to make it clear that in finding that there exists a likelihood of confusion, we have not relied upon opposer's survey, which has certain deficiencies. Purportedly, "the survey resulted in a likelihood of confusion finding of 22.9%." (Opposer's brief page 13).

Opposer's survey was a shopping mall intercept survey conducted in four cities all within opposer's fourteen state region, namely, Phoenix, Arizona; Seattle, Washington; Omaha, Nebraska; and Salt Lake City, Utah. A total of 420 respondents, age 18 or older, participated in the survey. After some preliminary questions, the

respondents were shown two cards at separate times. One card had U S WEST typed at the top, and the other card had US EAST typed at the top. Each card had a description of services which read as follows: "U S WEST [or US EAST] is a company providing telecommunications services, including local telephone services, domestic and international long distance services, cellular services, commercial mobile radio services, paging services, internet services and the like." The only difference in the description of the services is that only the US EAST card had the underlined wording on it. In other words, the descriptions of services of both the U S WEST and the US EAST cards were virtually identical. Consumers were shown the U S WEST card, and then it was removed from their view. Consumers were shown the US EAST card, and it too was removed from their view. The order of showing of the cards was reversed so that approximately half of the respondents saw the U S WEST card first, and approximately half of the respondents saw the US EAST card first.

When the first card was taken away, the respondents were then asked the following question: "What company do you think provides the services mentioned in that card? If you do not know, please feel free to say so." This question was repeated after the respondent was shown the

second card. Again, the question was asked only after the second card had been removed from the view of the respondent.

Depending upon their responses to these two questions, certain respondents were then asked the following question:

- (1) Do you think the services provided in the exhibits I just showed you are provided by the same company or by different companies? If you do not know, please feel free to say so.

If a respondent said "different companies" or "don't know" to question one above, he was asked the following question:

- (2) Do you think the companies that provide the services in the exhibits I just showed you are associated with each other in any way or that they are not associated? If you do not know, please feel free to say so.

If a respondent said "not associated" or "don't know" to question two above, he was asked the following question:

- (3) Do you think that either U S WEST received permission from US EAST to use the name U S WEST or that US EAST received permission from U S WEST to use the name US EAST or did not receive permission? If you do not know, please feel free to say so.

At the outset, we note that all four questions - the initial question which was repeated twice and the three follow-up questions - are in effect a test of the



respondent's memory in that the cards bearing the marks U S WEST and US EAST were removed from the respondent's view prior to the questions being posed. Besides the mark at the top, each card had a lengthy description of various telecommunications services. A respondent, not knowing what questions were to be asked next, could have quickly glanced at the mark (company name) and then concentrated on the description of services believing that said services would be the subject of the questions to come.

With regard to the first question - What company do you think provides the services mentioned on that card? - it is not at all surprising that 13% of the respondents who saw the US EAST card answered U S WEST because the survey was conducted only in the fourteen state U S WEST service area where U S WEST is the local phone company. Not having the US EAST card before them, but recalling that the US EAST card described in extensive fashion various telephone services, it would be natural that 13% of the respondents incorrectly mentioned U S WEST, their local telephone company. In this regard, the survey lacked a degree of "control" that could have been supplied if the survey had also been conducted in a few cities well removed from the fourteen state U S WEST service area.

The final three pertinent questions are not only memory based questions, but in addition, they are somewhat convoluted. For example, the question which asks whether the companies that provide the services in the exhibits I just showed you are associated with each other in any way could easily have been interpreted by the respondents as simply meaning that the two different telephone companies are associated in the sense that their lines connect when one places a long distance telephone call. See AHP Corp. v. Barr Laboratories, 5 USPQ2d 1073, 1076 (3<sup>rd</sup> Cir. 1987) ("A response that one 'associates' a given product with the name of a competitive product may simply reflect the recognition that the two products are comparable and serve the same purpose.").

In short, we have accorded no weight to opposer's survey. Not only are the questions memory based and convoluted, but in addition, a respondent merely had to give a "wrong" answer to one of the four pertinent questions in order to be counted as part of the 22.9% of the respondents who were "confused."

Having sustained the opposition on the basis that the contemporaneous use of the marks U S WEST and US EAST for identical services is likely to result in confusion

pursuant to Section 2(d) of the Trademark Act, we turn now to a consideration of opposer's claim that the use of US EAST by applicant would dilute the distinctive quality of opposer's famous U S WEST mark. By way of background, we note that the Trademark Amendments Act of 1999 (TAA) provided that opposition and cancellation proceedings may be based on claims of dilution pursuant to the Federal Trademark Dilution Act of 1995 (FTDA) provided that the involved application was filed on or after January 16, 1996. Toro Co. v. ToroHead, Inc., 61 USPQ2d 1164, 1172-73 (TTAB 2001). As previously noted on more than one occasion, applicant's intent-to-use application was filed on February 3, 1997.

At the outset, we note that courts have held that dilution is "an extraordinary remedy." Advantage Rent-A-Car Inc. v. Enterprise Rent-A-Car Co., 238 F.3d 378, 57 USPQ2d 1561, 1563 (5<sup>th</sup> Cir. 2001). As one court noted, "we simply cannot believe that, as a general proposition, Congress would have intended, without making its intention to do so perfectly clear, to create property rights in gross, unlimited in time (via injunction), even in 'famous' trademarks." Ringling Bros. - Barnum & Bailey Combined Shows v. Utah Division of Travel Development, 170 F.3d 1449, 50 USPQ2d 1065, 1073 (4<sup>th</sup> Cir. 1999). Another court

stated that "dilution is a cause of action invented and reserved for a select class of marks - those marks with such powerful consumer association that even non-competing uses can impinge on their value." Avery Dennison Corp. v. Sumpton, 189 F.3d 868, 51 USPQ2d 1801, 1805 (9<sup>th</sup> Cir. 1999).

As previously noted in our discussion of the issue of likelihood of confusion, our primary reviewing Court has made it clear that the duPont factor of fame can weigh in favor of an opposer even if the opposer's use of its mark is confined to a limited geographic area. Giant Food, 218 USPQ at 394. However, in the context of dilution claims, Section 43(c) of the Trademark Act make it clear that "in determining whether a mark is distinctive and famous" for dilution purposes, one must take into account "the geographical extent of the trading area in which the mark is used." See also Toro, 61 USPQ2d at 1176. Opposer's use of its mark U S WEST has been essentially confined to its fourteen state area. This area has a population of slightly over 36 million people, which represents just 13% of the overall United States population. Moreover, as previously noted, opposer has conceded that only two to three percent of its advertising expenditures extend beyond its fourteen state area.

Given the limited geographic scope of the use of opposer's U S WEST mark, we find that said mark is simply not among that "select class of marks" which are entitled to protection against dilution pursuant to the FTDA. At page 11 of its reply brief, opposer cites the case of I.P. Lund Trading v. Kohler Co., 163 F.3d 27, 49 USPQ2d 1225, 1240 n.11 (1<sup>st</sup> Cir. 1998) where the Court rejected "the notion that the FTDA requires an explicit finding that a mark's fame extends throughout a substantial portion of the United States." However, on the very same page of the opinion, the Court stated that "national renown is an important factor in determining whether a mark qualifies as famous under the FTDA." I.P. Lund Trading, 49 USPQ2d at 1240.

While a mark may be famous for dilution purposes even if it is not famous in every part of the United States, we find that a mark which is famous only in one area of the United States which contains but 13% of the overall United States population does not qualify as being included in that "select class of marks" for which the FTDA was intended to apply. The record reflects that one state - California - has a population almost as great as the population of opposer's fourteen state area. We simply do

not believe that the FTDA was intended to apply to a mark which is famous but in one state.

Decision: The opposition is sustained solely pursuant to opposer's likelihood of confusion claim. See Section 2(d) of the Trademark Act. The opposition is not sustained as to opposer's dilution claim. See Sections 13 and 43(c) of the Trademark Act.